VZCZCXRO9549 OO RUEHCHI RUEHDT RUEHHM DE RUEHJA #5886/01 1301044 ZNY CCCCC ZZH O 101044Z MAY 06 FM AMEMBASSY JAKARTA TO RUEHC/SECSTATE WASHDC IMMEDIATE 3976 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS IMMEDIATE RUEHUJA/AMEMBASSY ABUJA IMMEDIATE 0026 RUEHAS/AMEMBASSY ALGIERS IMMEDIATE 0026 RUEHAK/AMEMBASSY ANKARA IMMEDIATE 0087 RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 3423 RUEHRL/AMEMBASSY BERLIN IMMEDIATE 0535 RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 9428 RUEHKA/AMEMBASSY DHAKA IMMEDIATE 0827 RUEHIL/AMEMBASSY ISLAMABAD IMMEDIATE 0404 RUEHLO/AMEMBASSY LONDON IMMEDIATE 0708 RUEHMO/AMEMBASSY MOSCOW IMMEDIATE 0384 RUEHFR/AMEMBASSY PARIS IMMEDIATE 0854 RUEHSA/AMEMBASSY PRETORIA IMMEDIATE 0234 RUEHKO/AMEMBASSY TOKYO IMMEDIATE 9780 RUEHWL/AMEMBASSY WELLINGTON IMMEDIATE 0802 RHEHNSC/NSC WASHDC IMMEDIATE RHHMUNA/USCINCPAC HONOLULU HI IMMEDIATE RHMFISS/DEPT OF ENERGY WASHINGTON DC IMMEDIATE RUCNDT/USMISSION USUN NEW YORK IMMEDIATE 0436 RUEHUNV/USMISSION UNVIE VIENNA IMMEDIATE 0072

C O N F I D E N T I A L SECTION 01 OF 02 JAKARTA 005886

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E.O. 12958: DECL: 05/10/16 TAGS: PREL PGOV KISL KNNP IR ID SUBJECT: IRAN/INDONESIA: YUDHOYONO CALLS FOR NEGOTIATED

RESOLUTION OF NUCLEAR ISSUES

REF: A. JAKARTA 5705 (IRANIAN PRESIDENT AHMADI-NEJAD'S VISIT TO INDONESIA) 1B. JAKARTA 5779 (AMBASSADOR DEMARCHES INDONESIAN

FOREIGN MINISTER)

Classified By: B. Lynn Pascoe, Ambassador. Reason: 1.4 (b, d)

- 11. (C) Summary. Iranian President Ahmadi-Nejad May 10 received a warm welcome on the first full day of his State visit to Indonesia. Following his meeting with Ahmadi-Nejad in Jakarta, Indonesian President Yudhoyono publicly described Iran's nuclear program as peaceful, but called for the tension surrounding it to be resolved by negotiation. Yudhoyono also said he hoped Iran would continue discussions with the IAEA. Yudhoyono's national security advisor told the Ambassador SBY had proposed a larger negotiating group, to include the P5, Germany, South Africa, Algeria, and Indonesia. Djalal also confirmed to the Ambassador that Yudhoyono had pressed Ahmadi-Nejad to negotiate, to cooperate with the IAEA, and to suspend uranium enrichment activities. End Summary.
- 12. (C) Iranian President Ahmadi-Nejad's state visit to Indonesia began with his arrival the evening of May 9. advance of the meeting between Presidents Yudhoyono and Ahmadi-Nejad, Presidential spokesman and national security advisor Dino Patti Djalal previewed the Indonesian position in a conversation with the Ambassador. Djalal said that SBY understood that Iran's nuclear program was sensitive to both the U.S. and the international community, and that the Indonesians would urge Ahmadi-Nejad to cooperate with the IAEA and show flexibility. He said the Indonesians would urge Iran to adopt IAEA safeguards and suspend enrichment activities. The GOI hoped, Djalal said, that the Iranians would be more inclined to listen to Indonesians than they have to the USG or Europeans. He reassured the Ambassador that there would be no nuclear cooperation between Indonesia and Iran, and that Indonesia would rebuff Iranian proposals for defense cooperation between the two countries. In a

later conversation, Djalal told the Ambassador that SBY had made all the above points to Ahmadi-Nejad.

- ¶3. (C) Djalal also told the Ambassador that President Yudhoyono had spoken to UN Secretary General Annan about the Iranian situation. Djalal said they discussed the possibility of a larger negotiating group. In a later conversation, Djalal reported to the Ambassador that SBY had made the proposal to the Iranians and that they were receptive to the idea. The negotiating group could include South Africa, Algeria and Indonesia in addition to the P5 and Germany. Djalal claimed that SYG Annan was supportive of the idea as well. Foreign Minister Wirajuda will reportedly contact the Ambassador to formally seek U.S. reaction to the Indonesian proposal. Djalal promised a more detailed readout tomorrow morning of the meeting between the two presidents.
- 14. (C) According to press reports, following his meeting with Ahmadi-Nejad, Yudhoyono told the press he believed that Iran's nuclear program was peaceful in nature, and that "all problems related to it can be solved in a good manner and diplomatically by involving many parties in the international community." Yudhoyono added he had expressed concern over tension surrounding the nuclear issue to Ahmadi-Nejad, and that he believed Iran could continue talks. Yudhoyono is also reported to have said he hoped Iran would continue discussions with the IAEA. Djalal elaborated on this position separately to the press, saying that Indonesia rejected use of force as a response to Iran's nuclear program, and that Indonesia instead supported creation of a special UN forum as the venue for negotiations.

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- 15. (U) At the press briefing the Presidents agreed that bilateral ties had been improving. Ahmadi-Nejad confirmed Iranian plans to invest in an Indonesian oil refinery. The leaders said they had talked about bridging the "gap between the Western and Islamic worlds" and had discussed the Palestinian issue. Ahmadi-Nejad expressed support for Indonesia's bid for a seat on the U.N. Security Council and Indonesian territorial integrity.
- 16. (U) Following the meeting the between the two Presidents, delegations from the two countries discussed cooperation in energy, customs, culture, and medium— and small—scale enterprises. Yudhoyono and Ahmadi—Nejad then witnessed the signing of two agreements (on administrative assistance for immigration and cultural exchange in 2006-2008) and three memoranda of understanding, including on cooperation in the fields of energy, refinery and small— and middle—scale business.
- 17. (U) On the afternoon of May 10 Ahmadi-Nejad met separately with Vice President Yusuf Kalla. Leaders of Parliament were expected to meet with Ahmadi-Nejad later in the day. On May 11, the Iranian President will lay a wreath at Indonesia's War Memorial in Kalibata and then appear before student audiences at the University of Indonesia and the National Islamic University. He will also meet with leaders of Nahdlatul Ulama, Indonesia's largest Islamic organization. On May 12, he will attend Friday prayers at Jakarta's Istiqlal Mosque before continuing to the D-8 summit in Bali. PASCOE